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Swiss Confederation

United Nations Statistics Division New York

Your Ref.: -Our Ref.: 31.250.506-112 / MDP Officials in charge: Philippe Küttel / Michel A. Di Pietro Neuchâtel, 30 November 2006

# Update of the 1993 SNA / Comments on draft chapters no. 9 and 14

Dear Sir or Madam,

We are writing in connection with draft chapters no. 9 and 14 of the updated 1993 SNA. Switzerland has the following comments.

### Draft chapter no. 9

9.8

", ... while the actual final consumption of government units <del>and NPISHs</del> is derived by subtracting ..." (Explanation: NPISHs have no actual final consumption, see 9.110.)

### 9.17

"... while that for government units and NPISHs is obtained by subtracting ... "

9.97

"(c) ... must be such that its acquisition use by one household ..., precludes its acquisition use by other households ... "

(Explanation: more precise wording.)

"(d) The good or service must be such that it is possible and not excessively expensive to prevent anyone from consuming it."

(Explanation: according to economic theory one of the characteristics of private goods and services is that their consumption is excludable.)

#### 9.99

"..., the important characteristic of an individual good or service is that its acquisition use by one household, ... "

9.100

" ... , certain kinds of services can only be provided collectively ... "

Federal Statistical Office Michel A. Di Pietro Espace de l'Europe 10, CH-2010 Neuchâtel Phone +41 32 71 36156, Fax +41 32 71 36864 michel.dipietro@bfs.admin.ch www.statistics.admin.ch "(a) Collective services can only be delivered simultaneously... "

<u>"(d) To prevent anyone from consuming a collective service is either very expensive or impossible."</u> (Explanation: according to economic theory one of the characteristics of public goods and services is that their consumption is non-excludable.)

## 9.101

"  $\ldots$  , the maintenance of public health, the protection of the environment, research and development, etc. "

(Explanation: consistency with provisional recommendation no. 9, that is expenditure on research and development to be recorded as capital formation and not as consumption expenditure any more.)

"..., individuals cannot be charged according to their usage or the benefits they derive." (Explanation: in practice, individuals are never charged according to the benefits they derive.)

9.107

"(a) ... to charge individual consumers of certain collective services according to their usage or benefits they derive, ... "

9.116

"(a) General government expenditure on individual consumption goods and services; (b) General government expenditure on collective consumption services." (Explanation: redundancy.)

Yours faithfully,

202

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